

Financial statements of a company as an information base for decision-making in a transforming economy

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Abstract

© International Strategic Management Association. All rights reserved. In connection with the development of transforming the economy, the need for forecasting and analyzing the consequences of managerial decisions becomes more pressing. To substantiate and evaluate such decisions, a tool for prospective analysis of financial statements of companies is used. In recent years, the content and structure of a company's financial statements have undergone significant changes. With the development of economic relations, the principles of organization and methodology of accounting and reporting are also dynamically changing. The issues of reforming financial statements of a company are constantly discussed at international congresses of accountants and other professional forums. The purpose of the study is to improve the concept of preparing financial statements of a company as an information base for taking decisions in a transforming economy. As a result of the research, the economic essence of company's financial statements is substantiated from the point of view of an integrated approach; the importance of financial statements of an organization for effective management is determined; the main financial and non-financial indicators are systematized; it is proposed to introduce a mandatory requirement for disclosure of non-financial indicators in the corporate reporting system; proposals have been elaborated to improve the methods for analyzing financial statements as a tool for managing a company.

Keywords

Balance sheet, Financial indicators, Financial statements, Interested users of financial statements

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